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July 2, 2003

VIA Federal Express

Mr. Richard C. Karl
Chief Emergency Response Branch
U.S. Environmental Protection Agency
Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

RE: Lindsay Light II Site/OU7

Dear Mr. Karl:

Your letter of June 17, 2003, received by Kerr-McGee Chemical LLC on June 23, 2003 purports to notify Kerr-McGee of "potential liability" regarding "off-site contamination" at 319 East Illinois Street, by materials that EPA presumes originated at the Lindsay Light Site at 316 East Illinois Street. Your letter further asks Kerr-McGee "to voluntarily perform or finance the response activities which U.S. EPA has determined are required at the facility in accordance with the Lindsay Light UAO."

We have contacted Mary Fulghum of the U.S. Office of Regional Counsel, as suggested in your letter, and she has shared with us limited information regarding environmental investigation conducted at this site. She has given us no information about "response activities" determined by EPA to be necessary. Indeed, the information she has furnished indicates that there may be a small amount of radiological material buried 4 1/2 feet deep beneath an asphalt paved parking lot. In this property's present condition, these materials would not appear to present any risk to human health and the environment.

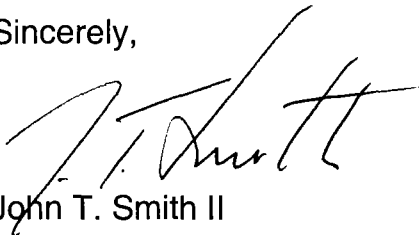
Your letter also recites that there are a number of other areas in Chicago where EPA has discovered "off-site contamination" associated with the Lindsay Light Site. Among them are the "Family Golf Course/Lake Shore East" (OU5) and DuSable Park (OU4). You should note that Kerr-McGee has furnished EPA evidence that other, historical gas mantle manufacturers may well be the source of contamination at OU5. Further,

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Kerr-McGee, the Chicago Park District, and EPA are in on-going discussions focusing on technical evaluation of the radiological material found at OU4. It has not been concluded that this material originated at Lindsay Light. Indeed the radiological readings may be attributed to thorium naturally present in coal, which would concentrate in coal combustion residues such as those known to be present at OU4.

Kerr-McGee remains ready to work with EPA to remove any "off-site contamination" that can clearly be attributed to Lindsay Light operations and the presence of which presents a plausible risk to human health and the environment. We would note that the Lindsay Light AOC that you cite requires removal only of material exceeding the criteria of EPA's regulations at 40 CFR Part 192. It is not clear from the information furnished us whether the material discovered at depth at OU7 in a single boring and test pit would require removal by application of the cited standard.

Sincerely,



John T. Smith II

cc: Mary Fulghum, Esq.